

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

HOCKERSON-HALBERSTADT, INC.,

Plaintiff,

v.

COSTCO WHOLESALE CORPORATION,

Defendant.

No. C03-1188L

ORDER DENYING
COSTCO'S MOTION FOR
SUMMARY JUDGMENT

I. INTRODUCTION

This matter comes before the Court on a motion for summary judgment filed by defendant Costco Wholesale Corporation ("Costco"). (Dkt. #39). Plaintiff Hockerson-Halberstadt, Inc. ("HHI") is the owner of United States Patent No. 4,322,895 ("the '895 patent"), which relates to a stabilized athletic shoe. HHI alleges that Costco infringed on the '895 patent by making, using, selling, offering for sale and/or importing men's and women's Court Classic shoe models, which embody the patented invention. Costco argues that the scope of the '895 patent was impermissibly broadened during reexamination, and therefore the patent is invalid as a matter of law in accordance with 35 U.S.C. § 305.

For the reasons set forth below, the Court denies Costco's motion.

ORDER DENYING MOTION
FOR SUMMARY JUDGMENT

II. DISCUSSION

A. Background and Claim Language.

The HHI patent was issued in April 1982. The patent, for a “Stabilized Athletic Shoe,” claims a shoe that provides additional stability during running. According to the patent, the midsole design of prior-art shoes did not provide adequate stability. To provide additional stability, the patent secured a support band to the upper rim of the midsole and the sides of the heel cup.

In 1992, a third party requested reexamination of the patent by the U.S. Patent and Trademark Office (“USPTO”), which granted the request. HHI submitted several proposed claim amendments, and the USPTO issued a reexamination certificate in 1995.

Claim 1, as amended during reexamination, reads as follows. Words deleted from the original claim are shown in brackets and words added during reexamination appear in italics:

1. An Athletic Shoe comprising a sole having a midsole [with a forefoot and heel portions] *formed of a resilient force-absorbing material,*
an outsole mounted below the midsole, said outsole being formed of a durable material for contact with a surface,
 an upper mounted on the sole, the upper having a counter forming a heel cup having exterior sidewalls *with lower edges,*
 a support band carried on the upper rim of the midsole and secured about the sidewalls of the heel cup,
 said band extending upwardly and merging with the vertical midspan of the heel cup for supporting and stabilizing the heel cup relative to the sole during contact of the sole onto the surface when in use,
said midsole comprising a forefoot position and heel portion means, said heel portion means being pyramid shaped in lateral cross section with a lower rim having opposite sides which flare outwardly to locations which lie sufficiently laterally beyond the lower edges of the heel cup for substantially stabilizing the shoe during initial contact on the surface along one side of the sole,
 the opposite sides of the lower rim of the heel portion *means* having a lateral width greater than the lateral width of the heel cup midspan, and
 the *midsole and* support band *having wall means which* inclines upwardly from the lower rim of the heel portion *means* to the heel cup midspan for resisting flexing of the [side]

1 *sidewalls of the heel cup relative to the sole during said initial contact on the surface along one*
 2 *side of the sole.*

3 **B. Patent Owner Cannot Broaden Claims.**

4 35 U.S.C. § 305 states, “No proposed amended or new claim enlarging the scope of a
 5 claim of the patent will be permitted in a reexamination proceeding under this chapter.”
 6 Whether amendments made during reexamination enlarge the scope of a claim is a matter of
 7 claim construction. *See, e.g., In re Freeman*, 30 F.3d 1459, 1464 (Fed. Cir. 1994). Claim
 8 construction is a matter of law. *See Cybor Corp. v. FAS Tech., Inc.*, 138 F.3d 1448, 1456 (Fed.
 9 Cir. 1998) (en banc).

10 To determine whether a patentee broadened a reexamined claim under 35 U.S.C. § 305,
 11 courts consider the following:

12 A claim of a reissue application is broader in scope than the original claims if it contains
 13 within its scope any conceivable apparatus or process which would not have infringed the
 14 original patent. A reissue claim that is broader in any respect is considered to be broader
 15 than the original claims even though it may be narrower in other respects.

16 *Tillotson Ltd. v. Walbro Corp.*, 831 F.2d 1033, 1037 n.2 (Fed. Cir. 1987) (internal citations
 17 omitted). Accordingly, a “claim is enlarged if it includes within its scope any subject matter that
 18 would not have infringed the original patent.” *In re Freeman*, 30 F.3d at 1464.

19 **C. Whether Claim Was Broadened.**

20 Costco argues that during reexamination, HHI broadened the last limitation of claim 1.
 21 Costco alleges that in the originally-issued claim, the support band was required to start from the
 22 lower rim and incline upwardly to the heel cup midspan. However, the reexamined claim is not
 23 limited to a support band that starts from the lower rim; instead, the “midsole and support band
 24 having wall means which inclines upwardly from the lower rim” Therefore, the
 25 reexamined claim allows the midsole and support band together to form a wall means that starts
 26 from the lower rim.

The Federal Circuit considered whether the ‘895 patent had been broadened during

1 reexamination in Hockerson-Halberstadt, Inc. v. Converse, Inc., 183 F.3d 1369 (Fed. Cir. 1999).
2 In that case, Converse made the same argument the Costco advances, “that the reexamined claim
3 is broader than the original claim because it only requires the wall means – not the support band
4 – to start from the lower rim of the heel portion.” Id. at 1373. The Converse court noted that
5 “[p]roper claim construction . . . demands interpretation of the entire claim in context, not a
6 single element in isolation.” Id. at 1374. The court therefore considered the claim language as a
7 whole to determine whether the claim had been broadened. After analyzing all of the claim
8 language before and after the amendment, the court concluded as follows:

9 From the above analysis, an observer might conclude that the reexamination broadened
10 the claim in one respect (by amendment of the “midsole and support band having wall
11 means” limitation) and narrowed it in another respect (by addition of the “said heel
12 portion means being pyramid shaped” limitation). That situation, which would violate §
13 305, did not occur in this case. These limitations do not exist independently, but rather
14 operate together to define the same aspect of the claim. The “pyramid shaped” limitation
15 constrains the scope of the “wall means” limitation, preventing the overall claim from
16 covering a shoe structure such as that shown in Fig. A.

17 Id. at 1375. The Converse court found that the ‘895 patent had not been broadened during
18 reexamination.

19 The parties disagree regarding the preclusive effect of Converse. HHI argues that Costco
20 is bound by the holding in Converse, even though Costco was not a party in that case, and cites a
21 single unpublished case in support of its position. See HHI’s Opposition at 3 (citing
22 Phonometrics, Inc. v. Choice Hotels Int’l, Inc., 2001 U.S. App. LEXIS 23565 (Fed. Cir. 2001)
23 (per curiam)).¹ Costco cites more persuasive authority showing that it should not be bound by
24 the Converse decision. See, e.g., Allen Archery, Inc. v. Browning Mfg., 819 F.2d 1087, 1091
25

26 ¹ The Phonometrics case is unpublished; however, the Federal Circuit has not designated it as not
to be cited as precedent. See Federal Circuit Local Rule 47.6(b) (“An opinion or order which is
designated as not to be cited as precedent is one determined by the panel issuing it as not adding
significantly to the body of law. Any opinion or order so designated must not be employed or
cited as precedent.”).

1 (Fed. Cir. 1987) (explaining that collateral estoppel “does not bar someone charged with
2 infringement from challenging the validity of patent claims that were upheld in a prior
3 infringement suit to which it was not a party”); see also Mendenhall v. Cedarapids, Inc., 5 F.3d
4 1557, 1569 (Fed. Cir. 1993) (noting that “the factual findings and legal conclusions in [a prior
5 suit] cannot be used as a collateral estoppel against defendants who were not parties to that
6 case”). Although the Converse decision does not bind Costco, it is nevertheless persuasive
7 authority on the legal issue of whether the claim was broadened. Mendenhall, 5 F.3d at 1569-70
8 (explaining that courts can give weight to prior decisions regarding validity).

9 In Converse, the court noted, “Converse has not presented this court any other possible
10 shoe configurations that would fall within the scope of the amended claim, but would not fall
11 within the scope of the original claim. Nor can this court conceive of any.” Converse, Inc., 183
12 F.3d at 1375. Costco has presented drawings, which were not presented to the Converse court,
13 of three shoes which it alleges would not have infringed the original claim, but infringe the
14 amended claim. All three drawings include a support band which starts at a point higher than
15 the lower rim. However, the Court interpreted the “wall means” limitation to mean “that the
16 midsole and support band form a structure which must incline upwardly from the lower rim to
17 the heel cup midspan for resisting flexing of the sidewalls of the heel cup relative to the sole
18 during said initial contact on the surface along one side of the sole.” (Dkt. #30). Because the
19 midsole and the support band *together* form the wall means, which inclines upwardly from the
20 lower rim, the support band by definition must incline upwardly starting from the lower rim.
21 Otherwise, the shoe would not be consistent with this Court’s construction of the claim.

22 Furthermore, Costco’s position is inconsistent with the claim specifications, which state
23 that the midsole and support band “form a structure *having substantially straight walls* inclining
24 between the vertical midspan of the heel cup and lower rim of the sole.” See ‘895 patent at
25 column 3, lines 29-32 (emphasis added). In Costco’s drawings representing shoes where the
26

1 support band starts higher, the walls means is not “substantially straight.” Instead, it forms an
2 angle where it joins the support band. Accordingly, the shoes in Costco’s drawings in Exhibits
3 3, 4 and 5 do not infringe either the original claim or the amended claim, and do not support its
4 contention that the claim was broadened.

5 In sum, the Court finds that after reading the claim language as a whole, the claim was
6 not broadened during reexamination. Because claim 1 is not invalid, dependant claims 2 and 3
7 are not invalid.

8 **III. CONCLUSION**

9 For all of the foregoing reasons, the Court DENIES Costco’s motion for summary
10 judgment (Dkt. #39).

11
12 DATED this 9th day of May, 2005.

13 

14 Robert S. Lasnik
15 United States District Judge
16
17
18
19
20
21
22
23
24
25
26